

Fiscal Note

State of Alaska
2025 Legislative Session

Bill Version: HB 145
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB145-DOR-TAX-5-8-25
Title: MOBILE SPORTS WAGERING; TAX
Sponsor: NELSON
Requester: (H)L&C

Department: Department of Revenue
Appropriation: Taxation and Treasury
Allocation: Tax Division
OMB Component Number: 2476

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2026 Appropriation Requested	Included in Governor's FY2026 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2026	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Personal Services	134.0		134.0	134.0	134.0	134.0	134.0
Travel							
Services	13.9		13.9	13.9	13.9	13.9	13.9
Commodities	2.0					2.0	
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	149.9	0.0	147.9	147.9	147.9	149.9	147.9

Fund Source (Operating Only)

1004 Gen Fund (UGF)	149.9		147.9	147.9	147.9	149.9	147.9
Total	149.9	0.0	147.9	147.9	147.9	149.9	147.9

Positions

Full-time	1.0		1.0	1.0	1.0	1.0	1.0
Part-time							
Temporary							

Change in Revenues

None	***		***	***	***	***	***
Total	***	0.0	***	***	***	***	***

Estimated SUPPLEMENTAL (FY2025) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2026) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/26

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Agency: Department of Revenue
Phone: (907)269-1033
Date: 05/07/2025
Date: 05/08/25

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2025 LEGISLATIVE SESSION

BILL NO. HB145

Analysis

Background Information

This bill proposes to legalize the gambling activity of mobile sports wagering and establish a program that administers, enforces, and collects tax on the activity. The mobile gaming is limited to wagers originating in the State of Alaska or in a state or jurisdiction approved by the Department of Revenue ("Department") if there is a mobile sports gaming agreement with that state or jurisdiction. This bill proposes that the Department administer the tax provisions for this gambling activity and regulate the mobile sports betting license program.

A maximum of ten licenses may be issued for gaming operators in the state, including an initial license fee of \$100,000 and an annual license renewal fee of another \$100,000. This bill adds a new 20 percent tax imposed on the adjusted gross revenue of the licensee from sports wagering activities.

The Department shall issue regulations, and the effective date of the bill is January 1, 2026.

Revenue Impact

The Department's analysis indicates that legalizing sports betting in Alaska would generate additional revenue. In the analysis, various other states were analyzed that have legalized sports betting, and have available data to come up with an expected range of additional revenue to the State of Alaska. The Department estimates a range of \$1 million to \$18 million of additional annual revenue beginning in FY2027. No revenue is assumed in FY2026 as the Department will be working on establishing regulations and working through the application process.

Implementation Cost

The Tax Division requires one new Tax Auditor 3 position to administer this new tax program. Services authority is required for the new position's pro rated overhead costs. There is also a one-time cost for issuing the new position a computer and related equipment.

Additionally, this legislation would require the Department to make changes to its Tax Revenue Management System ("TRMS"). Resources required to implement this bill would include staff time to updated forms, TRMS, and Revenue Online, and other miscellaneous costs. These costs will be absorbed by the Tax Division using existing resources.